GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:675
ANSWERED ON:04.03.2005
EXTERNAL LOAN FOR POWER SECTOR
Kalmadi Shri Suresh

Will the Minister of POWER be pleased to state:

(a) whether there has been a serious mismatch in generation capacities and transmission of power in the country;

(b) if so, whether the Centre has asked the States to step up investment in intra-state transmission system and take measures to make the sector attractive for private sector;

(c) if so, the response of the State Governments thereon;

(d) whether Central PSUs and Power Grid Corporation has sought loan from the World Bank and Asian Development Bank for their expansion plan in the country, particularly in Maharashtra; and

(e) if so, the details thereof along with the broad features of the plan?

Answer

THE MINISTER OF POWER (SHRI P.M. SAYEED)

(a) : No, sir.

(b) & (c) : Government of India has requested some State Governments for augmentation of investment in transmission in a planned and proper manner to pass on the progress made in generation and distribution to the consumers and to submit a list of projects where they plan to avail external borrowings for this purpose.

(d) & (e) : Power Grid Corporation of India Ltd. (PGCIL) has sought an assistance of US$ 400 million each from World Bank and Asian Development Bank (ADB) for implementation of certain inter-regional and intra-regional transmission projects. A portion of the loan from the World Bank will be utilised for implementation of Sipat-II Supplementary Transmission System which includes Seoni-Wardha 765 kV S/C line, Wardha-Akola 400 kV D/C line, Akola-Aurangabad 400 kV D/C line and establishment of new substation at Wardha along with extensions of existing substations at Akola and Aurangabad in the State of Maharashtra.

ADB has provided an assistance of US$ 150 million to Power Finance Corporation for State Power Sector Distribution Project for improvement in transmission and distribution network and renovation and modernization of thermal power stations in the States. Out of this loan, schemes for ADB assistance of about US$ 77 million have been identified for the State of Maharashtra.